# No. 8397

IN THE

# United States Circuit Court of Appeals

**For the Ninth Circuit**

FRED S. LEON and DAGMAR LEON, doing business as Numerical Directory Company,

*Appellants,*

vs.

THE PACIFIC TELEPHONE AND TELEGRAPH COMPANY (a corporation),

*Appellee.*

## BRIEF FOR APPELLANTS.

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## BRIEF FOR APPELLANTS.

### STATEMENT AS TO JURISDICTION.

This is an appeal from the final order, judgment and decree of the United States District Court for the Northern District of California, Southern Division, (Tr. 50-52), sustaining the validity of appellee's* copyrights in its alphabetical telephone directories and holding them infringed by appellants' numerical telephone directories.

There is no diversity of citizenship since, as the bill of complaint alleges, (Par. I) appellee is a Cali-

*The parties will be designated Appellant and Appellee throughout this brief.

fornia corporation with its principal place of business in the City and County of San Francisco, and (Par. II) appellants are citizens of the United States and inhabitants of the Southern Division of the Northern District of California. (Tr. 2.)

The suit arose under the Copyright Acts of the United States. (Bill of Complaint, Par. III, Tr. 2.)

The bill of complaint also alleges that appellee, as an incident to the telephone and telegraph service it furnishes, has at various intervals prepared and published telephone directories containing the names, addresses and telephone numbers of the listed subscribers to its service (Bill of Complaint, Par. IV, Tr. 2-3); that appellee, as author and proprietor, has complied with the copyright laws of the United States in the printing and publishing of said books (Bill of Complaint, Par. VI, Tr. 4-5); that the Register of Copyrights issued certificates of copyright to appellee (Bill of Complaint, Par. VIII, Tr. 6); and that said books were new and original literary works and the proper subject matter of copyright, and that said copyrights are unexpired, still in full force and effect, and appellee is the sole and exclusive owner thereof. (Bill of Complaint, Par. X, Tr. 7.)

The charge of infringement is contained in Par. XI of the bill of complaint. (Tr. 7-8.)

The District Courts of the United States have original jurisdiction of suits arising under the copyright statutes.

> "The District Courts shall have original jurisdiction as follows:

(7) All suits at law or in equity arising under the * * * copyright * * * laws."

Judicial Code, sec. 24; 28 U.S.C. 41; R. S. sec. 629.

An appeal may be allowed by a judge of the district court or of the circuit court of appeals.

Judicial Code, sec. 132; U.S.C. title 28, sec. 228.

The Circuit Courts of Appeals have appellate jurisdiction to review by appeal or writ of error final decisions:

"(First. In the District Courts, in all cases save where a direct review of the decision may be had in the Supreme Court under Section 345 of this title."

Judicial Code, sec. 128; U.S.C. title 28, sec. 225.

The appellants' petition for appeal from the final order, judgment and decree of the court below was allowed by the District Court on August 3rd, 1936 (Tr. 103-105) and the bond thereon was approved. (Tr. 110-111.) The citation on appeal (Tr. 123-124) thereafter issued and was filed in this court on November 30, 1936.

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## STATEMENT OF THE CASE.

This appeal (Assignments of Error 4(a) and (b) and 5(a)) raises the question of whether an alphabetical telephone directory, which is prepared by a telephone company as one of the services to its subscribers and which consists in an alphabetical ar-

rangement of the names of the subscribers, followed by their respective addresses and telephone numbers, coupled with a classified advertising section and directional matter relative to the use of the telephone, may be the subject matter of valid copyright under the Copyright Acts of 1909.

The appeal (Assignment of Errors 4(c) and (d) and 5(b)) also involves the question of whether or not in the compilation of a numerical telephone directory, in which the information is arranged according to number followed by the name of the subscriber, the use of the names and telephone numbers found in such alphabetical telephone directories constitute a fair use of such material or whether the copyrights of said alphabetical telephone directories are thereby infringed.

The appeal (Assignments of Error 9) also raises the question of whether or not the appellee offered sufficient evidence during the trial of the cause to support the ruling of the district court in refusing to dismiss the bill of complaint as to the appellant Dagmar Leon.

If the appellee's copyrights in said alphabetical telephone directories are invalid, or, if found valid, it should be held that the appellants' use of the material within the same was a fair use, then, of course, it follows that the findings of fact, final order, judgment and decree of the district court are not supported by the evidence and are contrary thereto; that the conclusions of law upon which said order, judgment and decree are based are not supported by

and are contrary to the findings of fact entered herein and to the evidence upon which same were based, and the denial of the relief prayed for by the appellants in their answers, and the issuance of the preliminary injunction were contrary to law and not supported by the evidence, as set forth in Assignments of Error 1, 2, 3, 6, 7, 8 and 10, respectively. (Tr. 105-109.)

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**SPECIFICATION OF ERRORS TO BE RELIED ON.**

The appellants here rely upon the following Assignments of Error, grouped for the purposes of argument in the manner indicated:

I-4(a) and (b) and 5(a);
II-4(c) and (d) and 5(b), and
III-9.

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**ARGUMENT.**

## I.

**ASSIGNMENT OF ERRORS.**

4. That the evidence adduced herein is insufficient to support any or all of the following findings which were adopted by said United States District Court for the Northern District of California in the making of its said Order, Judgment and Decree, namely:

(a) "The collection, editing, compilation, classification, arrangement, preparation of the material in said directories and the publication of said directories involved a large amount of detail and required great effort, discretion, judgment, painstaking care, skill, labor, accuracy, experience and authorship of high order. Said telephone

directories were the sole and exclusive property of plaintiff, and plaintiff possessed the sole and exclusive literary and other rights therein, including the right to copy. Said directories constitute new and original literary works, and are the proper subject of copyright. Said copyrights are existing and plaintiff is the sole and exclusive owner, author and proprietor thereof.", as set forth in paragraph V of said Findings.

(b) "The copyright of plaintiff's said May, 1935, directories is valid.", as set forth in paragraph VI of said Findings.

5. That the said order of said United States District Court for the Northern District of California in adopting its findings of fact, upon which said Order, Judgment and Decree is based, failed to take into consideration the following proposed amendments and additions thereto regularly submitted to said Court on behalf of the Defendants herein, namely:

(a) An amendment to Paragraph V of the findings of fact consisting in the deletion therefrom of the first two sentences, beginning "The collection, editing * * *", in line 1, and ending "* * * right to copy.", in line 9 thereof.

The question of the validity of appellee's copyrights in its alphabetical telephone directories, raised by the foregoing assignments of errors, will be discussed under the following headings:

**I(a) Invalidity of copyrights in alphabetical Telephone Directories.**

**I(b) Scope of copyrights in alphabetical Telephone Directories, if valid.**

**I(a) Invalidity of copyrights in alphabetical telephone directories.**

In considering the question of the validity of the appellee's copyrights in its alphabetical telephone directories, it is believed proper to examine the procedure involved in compiling and preparing them for publication.

The directory manager for appellee, Henry R. Woltman, testified in substance that the following steps are taken:

1. Immediately upon issuance of a directory, specimens are cut up into columns and pasted on a sheet to serve as the manuscript for the next book. (Tr. 57.) A specimen of the manuscript is found in plaintiff's (appellee) Exhibit 3*.

2. Appellee receives an application for service from the customer and determines from him the "directory listing, the name, address, etc." (Tr. 53.) Plaintiff's (appellee) Exhibit 9 is a specimen application card.

3. From the application the appellee's business office prepares and issues an order covering the installation of service it lists in the telephone directory, and there is a copy of this for the directory work. The information contained in this copy is then inserted in the manuscript. New listings are typed on the manuscript in a column opposite to the pasted column cut from the directory. (Tr. 56-57.)

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*The original exhibits as introduced at the trial were by stipulation of counsel and order of court (Tr. 119-122), transmitted to and filed with the clerk of this court.

4. In the compilation of the classified section of the directories a similar manuscript is kept, in classified rather than alphabetical order. (Tr. 58.)

5. The "preliminary pages" relative to methods of dialing and the imparting of like information are "a matter of common usage, etc."

"This is a matter that changes from time to time, and the information is prepared by certain people in the company. * * * The matter would appear in the previous issue and would be used as the basis, * * *." (Tr. 65-66.)

6. The pages between the alphabetical section and the first page of the classified section are called "filler".

"It comprises an institutional advertisement of the telephone company. There is also an institutional advertisement at the end of the classified section. There are seven pages, enough to make up a 32 or 54 page form in the printing operation." (Tr. 66.)

7. Following the "closing date" for each directory, the manuscript is proof read and the books are printed and distributed. (Tr. 58.)

Appellee has alleged (Bill of Complaint, Par. X, Tr. 6-7) that directories so prepared are new and original literary works and are proper subject matter of copyright, since:

"The collection, editing, compilation, classification, arrangement and preparation of the material included in said directories required

discretion, judgment, painstaking care, skill and experience of a high order."

It appears obvious that the contrary is true. The work of appellee's employees in compiling its alphabetical telephone directories is mere clerical routine, wholly devoid of originality, intellectual skill, or literary value.

*National Tel. v. Western Union,* 199 Fed. 294, 297, 298 (C. C. A. 7th, 1902).

"It would be difficult to define, comprehensively, what character of writing is copyrightable, and what is not. But for the purposes of this case, we may fix the confines at the point where authorship proper ends, and mere annals begin. Nor is this line easily drawn. Generally, speaking, authorship implies that there has been put into the production something meritorious from the author's own mind. * * *

'A catalogue, or a table of statistics, or business publications generally, may thus belong to either one or the other of these classes. If, in their makeup, there is evinced some peculiar mental endowment—the grasp of mind, say in a table of statistics, that can gather in all that is needful, the discrimination that adjusts their proportions—there may be authorship within the meaning of the copyright grant as interpreted by the courts. But if, on the contrary, such writings are a mere notation of the figures at which stocks or cereals have sold, or of the result of a horse race, or base-ball game, they cannot be said to bear the impress of individuality, and fail, therefore, to rise to the plane of authorship. *In*

*authorship, the product has some likeness to the mind underneath it; in a work of mere notation, the mind is guide only to the fingers that make the notation. One is the product of originality; the other the product of opportunity.*" (Italics ours.)

That alphabetical telephone directories have been judicially characterized as being works of an uncopyrightable nature, in the light of *National Tel. v. Western Union,* supra, seems clear from—

*California Fireproof Storage Co. v. Brundige,* 199 Cal. 185; 248 Pac. 669

"A telephone directory is an essential instrumentality in connection with the peculiar service which a telephone company offers for the public benefit and convenience. It is as much so as is the telephone receiver itself, which would be practically useless for the receipt and transmission of messages without the accompaniment of such directories. The form which such directories conveniently took with the inception of this modern method of message transmission was that of an alphabetical list of the names of the subscribers to the service, and there can be no question as to the right of the regulatory body over this form of public utility to regulate the form, content, and cost to subscribers who had entitled themselves to the convenient use of such service."

"In the development of this form of public service telephone companies have found it practicable and profitable to diminish the cost and increase the profits of the operation by making use of its directories as a means and form of advertising available to its subscribers."

The case at bar is believed to be one of first impression, since no prior adjudicated cases have been found passing squarely on the question of copyrightability of an alphabetical telephone directory or the extent of fair use of the material contained therein.

The only case of which we are aware which deals specifically with an alphabetical telephone directory under any phase of the law of copyright is *Cincinnati and Suburban Bell Telephone Co. v. Brown,* 44 Fed. (2d) 631. It is apparent that in the cited case the court entertained considerable doubt as to whether a simple alphabetical telephone directory was proper subject matter for copyright. In considering the *alphabetical* telephone directories published by the defendant in the face of plaintiff's *alphabetical* telephone directory, alleged to have been copyrighted, the court had this to say:

> "Whether or not, strictly speaking, the telephone company is entitled, under the strict rules of copyright law, to this injunction, I am not going to pass on at this time."

At least one eminent authority has plainly expressed a similar doubt as to the copyrightability of directories of this character and in *Weil, Law of Copyright,* Sec. 1151, we read:

> "All such works have one common foundation: their contents are intended for use. They are tools in printed form and are intended to be used according to this essential purpose. There is normally no copyright in their contents, as they mutually embrace facts and figures which are common property. Anyone may reproduce their facts and they, themselves, are primarily intended

> to apprise others of such facts. *In the average directory, for example, names must be arranged alphabetically and, in digests, subjects must be arranged under the headings where those consulting the digests would expect to find the information they are seeking.*" (Italics ours.)

Appellee in the court below referred to the decision in

> *Jeweler's Circular Pub. Co. v. Keystone Pub. Co.,* 281 Fed. 83,

and an annotation in 26 A. L. R. 585, and will undoubtedly contend here, as it did in the court below, that because copyrights in certain types of directories have been sustained it necessarily follows that an alphabetical telephone directory is a proper subject matter for copyright. Such an argument fails to take into consideration the fundamental distinction between directories of the type considered in *Jeweler's Circular Pub. Co. v. Keystone Pub. Co.,* supra, and an alphabetical telephone directory of the kind and character relied upon in the present case by the appellee. In the cited cases it is clearly indicated that the publishers of the works canvassed the field for the desired information and then compiled the works in question. That is to say, the information was accumulated for its independent value and was acquired by sheer industry for what it alone would be worth to the public in published form.

In contrast, it is equally clear that the compilation of an alphabetical telephone directory by a telephone company is a mere incident to the public service rendered and the information is furnished by appli-

cants for service for insertion in the continuing manuscript. (Tr. 56-57.) In other words, the appellee's alphabetical telephone directory results naturally from its mere assignment of numbers to subscribers upon application and the routine clerical work in arranging such names, addresses and telephone numbers in logical order. The alphabetical telephone directory is a mere recording of facts in a manner which has been judicially characterized as a common incident to the furnishing of a telephone service and it is respectfully contended that the monopoly offered by the copyright acts cannot be extended to such a work.

**I(b) Scope of copyrights in alphabetical telephone directories, if valid.**

If it be assumed, for the sake of argument, that appellee's copyrights are valid, a proper inquiry should be directed to ascertain the scope of the same. That is to say, are appellee's alphabetical telephone directories wholly original works or does some part of them lie in the public domain?

This test has received judicial approval because it bears a close relation to the question of infringment.

> *Weil, Law of Copyrights,* Sec. 984.
>
> "* * * The scope of copyright is, then always measured by the extent of, and nature of, the original work embodied in a creation."

This authority was cited with approval in

> *Harold Lloyd Corporation v. Witwer,* 65 F. (2d) 1,

a fairly recent decision by this honorable court.

Applying this test to the alphabetical telephone directories in suit, it will be appreciated that the zone of protection to be accorded appellee, if validity as to the whole book be assumed, is not the alphabetically arranged lists of names, addresses and telephone numbers, but merely the preface or introduction, the institutional advertising and the classified sections. The appellants are not charged by the complaint with infringement of anything but the alphabetical sections, nor did the evidence show the use by appellants of any material contained in appellee's directories other than the numbers and names.

The soundness of this argument is borne out by the appellee's own evidence, for it will be remembered that the assignment of numbers to new subscribers, the correction of numbers, and the compilation of appellee's directory were shown as clerical duties. It is difficult to perceive how one could seriously contend that there can be originality or literary matter in the names and addresses of subscribers submitted on applications for service or in the numbers asssigned such subscribers as a matter of convenience.

With these points in mind, how far should the courts go in protecting the proprietor of an alphabetical telephone directory against infringement? We apprehend that a good test is that laid down in

> *Sheldon v. Metro-Goldwyn Picture Corp.*, 7 F. S. 837.
>
> "It is then left to the courts, if litigation ensues, to say what the original content is, and to define the zone in which the copyright owner is protected.

> In defining the zone it always has to be determined: (1) Whether some part of the zone claimed is not a part of a common ground, the heritage of all mankind, usually referred to as the public domain; or (2) whether some of the infringement claimed is not of matter which is not protected by copyright for some other reason."

A person's name and address are facts. A telephone number assigned that person, as a subscriber to the service, is also a fact. The law of copyright grants no monopoly in facts as such, but merely in the manner, form and style of presentation. Hence, if validity of appellee's copyrights be assumed for argument's sake, appellee's zone of protection is not in the facts included in the alphabetical lists of names, addresses and telephone numbers, but rather in the manner, form and style of presentation of the facts, plus its introductory matter, private and public advertising.

See,

> *Dymow v. Bolton,* 11 F. (2nd) 690 (C. C. A. 2nd).
>
> "Just as a patent affords protection only to the means of reducing the idea to practice, so the copyright law protects the means of expressing an idea; and it is as near the whole truth as generalization can usually reach, *that if the same idea can be expressed in a plurality of totally different manners, a plurality of copyrights result, and no infringement will exist.*" (Italics ours.)

In the numerical telephone directories the facts, comprising numbers and names, are not presented in

the same manner, form or style employed in the alphabetical telephone directories.

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## II.

### ASSIGNMENT OF ERRORS.

4. That the evidence adduced herein is insufficient to support any or all of the following findings which were adopted by said United States District Court for the Northern District of California in the making of its said Order, Judgment and Decree, namely:

(c) "Defendants copied and transferred into said numerical directories, without the consent or license of plaintiff and in violation of plaintiff's rights under its copyrights, valuable and material portions of plaintiff's copyrighted May, 1935, directories, and thus saved themselves the expenditure of a large amount of time, labor and money. Defendants took and appropriated to their own use the entire portion of the alphabetical section of plaintiff's May, 1935, directories, and did not obtain any of the information contained in their numerical directories from original sources or from any source other than plaintiff's said directories. Defendants' said copying of plaintiff's said directories was deliberate and premeditated and constituted an infringement of plaintiff's said directories.", as set forth in Paragraph VII of said Findings.

(d) "Defendants have infringed plaintiff's copyrights of its May, 1935, directories", as set forth in Paragraph VIII of said Findings.

5. That the said order of said United States District Court for the Northern District of Cali-

fornia in adopting its findings of fact, upon which said Order, Judgment and Decree is based, failed to take into consideration the following proposed amendments and additions thereto regularly submitted to said Court on behalf of the Defendants herein, namely:

(b) An amendment to the findings of fact consisting of the deletion of the whole of Paragraph VIII and substitution of the following: "The use of the material within plaintiff's copyrighted alphabetical telephone directories for 1935 by the Defendants in the compiling and publishing of their numerical telephone directories was an unfair use, and therefore an infringement thereof."

In considering the question of infringement raised by the foregoing assignments of errors, the argument will be presented under the following headings:

**II(a) Appellants' use of appellee's Alphabetical Telephone Directories.**

**II(b) Appellants' use of appellee's Alphabetical Telephone Directories a fair use and not an infringement.**

**II(c) Analogous Instances of Fair Use.**

**II(d) The Directories in the present case are neither competitive nor for the same purpose or use.**

**II(e) Appellee's telephone directories are the original source of material contained therein.**

**II(a) Appellants' use of appellee's alphabetical telephone directories.**

In order to fully appreciate the extent of the appellants' use of the material in the appellee's alphabetical telephone directory, it is deemed proper to consider the individual steps taken in the compilation, preparation and publication of the appellants' numerical telephone directory.

The evidence adduced upon the trial of the cause shows the following:

1. A sheet was removed from the alphabetical section of the telephone directory and the reverse side of it ruled out.

2. The columns of listings were then cut from these sheets.

3. The individual listings were then cut from the columns and placed in boxes according to the exchange telephone number of that particular listings.

4. When all of the numbers had been placed in the various exchange boxes they were removed and pasted on a looseleaf binder sheet in numerical order.

5. Typewritten list of these pasted listings were then made, in which process the order of the listing was reversed and the address omitted, so that the listing appeared on the new typed list as: "Garfield 6133 Norbert Korte".

6. The typewritten lists were then proof read against the pasted sheets and against the original

source of the information, namely appellee's alphabetical telephone directory.

7. Following the proof reading the typewritten lists were reduced by photographic process and the plates were made. (Tr. 91-93.)

It is this use of the specific information in the appellee's alphabetical telephone directories which we contend first was use of material within the public domain and secondly a fair use of material in a copyrighted work or a use necessarily contemplated at the time of publication of the appellee's work.

It was admitted in the answer (Par. XI Tr. 33) that the alphabetical telephone directories were employed in the collection, compilation, editing and preparation of the material included in appellants' numerical telephone directory and that there was a commonness of errors. Further it was stipulated during the trial of the cause that appellants used the numbers and names which appear in the A to Z sections of appellee's directories (not including classified) in the compilation of appellants' numerical telephone directories and that no other source was used. (Tr. 77.) Thus in substance, it will be appreciated that the only material in appellee's alphabetical telephone directories which was used by the appellants in the preparation of their numerical telephone directory were the numbers and names of the subscribers taken from the A to Z sections.

**II(b) Appellants' use of appellee's alphabetical telephone directories, a fair use and not an infringement.**

The facts here show that the appellants employed the appellee's alphabetical telephone directory in the compilation of their numerical telephone directory. The mechanics of such use have been hereinbefore described. Here was a use of material which is in the public domain and in which there can be no monopoly. It was a use of material such as was contemplated by appellee in publishing the directories.

At this point, attention is respectfully invited to the following quotation from *An outline of Copyright Law,* by *De Wolfe,* pp. 142-143:

> "Returning now to the question of 'fair use', briefly mentioned in Chapter V, we have seen that the term means such use as the author must be supposed to have reasonably contemplated at the time when he created his work, notwithstanding the monopoly which the law allows him. The quotation of considerable extracts from a work under review, *the use of directories in the compilation of selected mailing lists,* the copying of legal forms from works giving examples for such forms, are all instances of fair use. A peculiar application of the doctrine is also found in the law relating to parodies, which often approach actual copying, but have always been held legitimate.
>
> *'A test sometimes used to determine whether what has been done with the copyrighted work exceeds the limit of fair use is to inquire whether the demand for the original work has been diminished to a substantial extent through competition from the alleged infringement.'* " (Italics ours.)

*Weil, Law of Copyrights,* Section 1135, states that the general rule has been well summarized as follows:

> "In short we must in deciding questions of this sort look to the nature and objects of the selection made, the quantity and value of the material used and the degree to which the use may prejudice or diminish the profits or supersede the objects of the original work."

quoting from *Story, J.* in *Folsom v. Marsh,* 2 Story 100, 116.

This principal is not new by any means and was recognized even in the earliest cases. See:

*Lawrence v. Dana,* Fed. Case No. 8136
(Mass. 1869.)

> "Some use may be made by a subsequent writer of the contents of a book or treatise antecedently made, composed and copyrighted by another person, whether the contents of the antecedent book or treatise were wholly original, or were partly original and partly made up of selections from other authors. *Copyright differs in this respect from patent rights, which admits of no use of the patented thing without the consent or license of the patentee.*" (Italics supplied.)

It is the contention of the appellants that the use made of appellee's alphabetical telephone directory was a "fair use" within every possible interpretation of the rule.

In

*West Publishing Co. v. Edward Thompson Co.*
176 Fed. 833, 838, (C.C.A. (2d)),

in speaking of fair use of a *digest,* the court said:

> "Its purpose is as a tool to enable judges to write their opinions, lawyers to write their briefs, and authors to write their text books. Such persons may cut out parts of the digests to assist them in running down the cases and copy lists of cases from the digests, as many of the Defendant's writers have done. Such a use of the digests seems to us, differing in this respect from the court below, to fall directly within the purpose for which they are sold, and to be fair."

**II(c) Analogous instances of fair use.**

In the absence of precedent dealing specifically with telephone directories, it is believed the court will desire authorities passing upon the applicability of this doctrine to analogous uses. With this in mind, the following cases are collected:

In *Brief English System Inc. v. Owen,* 48 F. (2d) 555 (C.C.A. (2d), certiorari denied in 51 S.Ct. 650), the plaintiff claimed a copyright in books relating to a system of shorthand, consisting in writing words in less than the number of letters usually used to spell them out. Defendant's book employed the fundamental idea of plaintiff's system and was a mere variation of it, but there was no substantial appropriation of manner, method, style or literary thought. Held, *no infringement.*

In *G. Ricordi & Co. v. Mason,* 210 F. 277 (affirming decree in 201 F. 182, 184) the defendant published a booklet giving a description of the plot and characters of various operas, each scene being covered by a single paragraph. Held not a "version" or an infringement of the copyrights on the librettos.

In *Whist Club v. Foster,* 42 F. (2d) 782, the Defendant's book contained a re-statement of the rules of auction bridge stated in plaintiff's book. Held, *no infringement.*

In *Gothrie v. Curlett,* 36 F. (2d) 694, a tariff index was involved and, although the plaintiff's copyrights were held valid, the defendant's use was regarded as fair. The court had this to say (p. 696):

> "* * * but the appellant has no monopoly upon information, or the purveying of information by a broad general method. He must be protected in his choice of expression, and his copyrights held to that."

See also, the dictum in the well reasoned case of *Sampson & Murdock Co. v. Seaver-Radford Co.,* 140 Fed. 539 (C.C.A. 1st, 1905):

> "Also, instances may be easily cited where portions of a copyrighted book may be published for purposes other than those for which the original book was intended. *This may be particularly so where the second publication has an entirely different outlook from the first.* Clearly, in a philosophical work, the title 'The Martian', if it can be copyrighted, could not be regarded as infringing a work of mere imagination with the same title. *So it may be that the copying and rearranging of a general directory for a bona fide and limited purpose, such as compiling a social guide may come within the same rule."* (Italics ours.)

The appellee has sought to make much in its pleadings, affidavits on preliminary injunction, and at the trial, of the commonness of errors between the two directories.

If the rule of "fair use" be applicable, as appellants contend it is, commonness of errors is wholly immaterial.

See *Simms v. Stanton,* 76 F. 6.

Furthermore, it must be remembered that the appellee's alphabetical telephone directory is the sole source of the telephone numbers contained therein and if appellee errs, so it follows that all who put its directories to their intended use likewise err.

> *Weil, Law of Copyrights,* Sec. 1142.
>
> "A recognized form of review, although its nature is not always fully appreciated by its victims, is parody. It is entirely within the limits of fair use to make parodies or literary perversions of copyrighted works, even, it seems, in the form of drawings or cartoons."

Citing *Bloom & Hamlin v. Nixon,* 125 F. 977, and *Hill & Whalen v. Martel, Inc.,* 220 F. 359; *Story v. Holcome,* 4 McLean 310.

The present case may be likened to those cases passing on the question of mimicry or parody. It has been held that one may sing the chorus of a copyrighted song as an incident to the mimicry of another's rendition of the whole song. See

> *Bloom & Hamlin v. Nixon,* supra;
>
> *Green v. Minzensheimer,* 177 Fed. 286 (S.D.N. Y. 1909).

It would seem that the use, in the compilation of a numerical telephone directory, of the numbers and names of telephone subscribers, appearing in the

alphabetical section of a telephone directory, comes as much under the doctrine of fair use as the singing of a chorus of a copyrighted song in the imitation of another's rendition of the whole song. In each instance the second use of the material of the copyrighted work was for a different purpose and result and does not serve as a substitute for the original.

The present case is readily distinguished from the line of authorities dealing with directories of a competitive nature, such as one city directory against another. The doctrine of fair use as applied to these cases has been summed up in

> *Amdur, Copyright Law and Practice* (1936 *Edition*) p. 768, Chap. 22.
>
> "The question has arisen in many cases whether the use made of a copyrighted directory, by a subsequent compiler of a similar publication, is a fair or an infringing use. The general rule, according to the weight of authority, is that such use will be deemed a *fair use* where:
>
> '1. The subsequent compiler, having first made an honest, independent canvass * * *
>
> '2. * * * merely compares and checks his own compilation with that of the copyrighted publication, and publishes the result * * *
>
> '3.* * * after verifying the additional items derived from the copyrighted publication.
>
> *Dun, et al., v. Lumbermen's Credit Assn., et al.,* 144 Fed. 83, 84 (C.C.A. 7th, 1906)."

An anology may be seen between the use of numbers and names in the instant case and the use of a list of cases cited in a legal text-book. At least one case

stands for the proposition that use of the entire list of cases in such a work may not amount to infringement. See

*West Publishing Co. v. Thompson Co.,* 169 Fed. 833 (E.D.N.Y. 1909), (modified in 176 Fed. 833, C.C.A. 2d).

(p. 847):

"In so far, also, as the arrangement of cases is concerned, when printed in chronological order in an official publication, *the list of titles or index is also public property,* and the only portion of the official reports which is subject to copyright in the name of an individual is the syllabus or statement by the reporter, whether that reporter be a judge or another person, and any statement of facts produced by original work, and not filed as a part of the decision by the court." (Italics ours.)

So it is here, since a numerical telephone directory is not intended to nor does it convey the same information to its users as does an alphabetical telephone directory.

**II(d) The directories in the present case are neither competitive nor for the same purpose or use.**

In considering the applicability of the fair use rule, the authorities, notably *An Outline of Copyright Law, DeWolfe,* pp. 142-143 and *Weil, Law of Copyrights,* Sec. 1135, supra, indicate it is proper to inquire

"whether the demand for the original work has been diminished to a substantial extent through competition from the alleged infringement."

and

> "the degree to which the use may prejudice or diminish the profits or supersede the objects of the original works."

The evidence in the present case is clear and convincing that appellants' numerical telephone directory is intended for and used for an entirely different purpose than is appellee's alphabetical telephone directory.

The uncontradicted testimony of the witness, William E. Church, an expert in charge of the private telephone communication system for Shell Oil Company, testified in substance, that the "prime" use of a numerical telephone directory is the "checking use". That is, its use in checking the identity of persons whose telephone numbers have been left for call. He did not think "the numerical telephone directory would be put to the same use or duplicate in any sense the utility of the alphabetical telephone directory". (Tr. 97.)

> "I can hardly see how you could turn to this (numerical) directory to place a telephone call. Obviously, you would have quite a time if you wanted to look up John Doe, looking through all the book to find that John Doe's number was in this directory." (Tr. 97.)

The record also reveals that appellee is well aware of the difference in the use and purpose of the two directories. Its witness Woltman testified:

> "I understand that a numerical telephone direc- is used very largely for check-up on names of

somebody, some person who has called and left a number." (Tr. 64.)

Nor did the evidence adduced at the trial leave any doubt as to the usefulness of a numerical telephone directory. It was admitted by appellee's counsel that in so far as it is accurate and kept up to date, a numerical telephone directory is *a useful publication.* (Tr. 89.)

In so far as the question of accuracy and being kept up to date is concerned, the evidence leaves no doubt but that a numerical telephone directory, in the preparation of which fair use of numbers and names from an alphabetical telephone directory has been made, the former directory is no more obsolete or out of date than the latter. Appellee's witness Woltman testified as follows:

> "As to the numerical telephone directory containing obsolete material, the same is true of the telephone company's alphabetical directory. As to certain numbers and certain information contained therein it is obsolete the day it comes off the press." (Tr. 63.)

A further indication of usefulness is to be found in the testimony of the witness Church who said:

> "In my opinion as a telephone man the directory I hold in my hand (plaintiff's Exhibit 6, a numerical telephone directory) has a very useful purpose." (Tr. 96.)

**II(e) Appellee's telephone directories are the original source of material contained therein.**

It is the contention of the appellants that the appellee's alphabetical telephone directories are the original source of the material contained therein. It will be borne in mind that the appellee is a public utility furnishing telephone service to the public upon application. We have heretofore pointed out that when these applications are made the subscriber necessarily gives his name and address. Appellee assigns each applicant a telephone number and the evidence does not show that the applicant has any choice as to the number which is assigned to him.

The appellee periodically publishes its telephone directories to apprise the subscribers and public of the facts contained therein, and there is no question but that, for the public generally, this is the sole source of the information alphabetically arranged.

At the trial of the cause the appellee contended, and will doubtless contend here, that the fact that the appellants had not gone to the subscribers for the information contained in their numerical telephone directories was a factor which served to characterize the acts of appellants as infringements of the copyrights. We submit that in seeking the names and numbers of the telephone subscribers, appellee's books are the original source of the information, and that appellee intends and expects that they should be so regarded.

## III.

### ASSIGNMENT OF ERRORS.

9. That the Order of said Court denying the motion of the defendant, Dagmar Leon, to dismiss the Bill of Complaint as against her was not supported by and was contrary to the evidence adduced herein, to which said Order timely exception was noted by said defendant.

The motion of appellant Dagmar Leon, to dismiss as to her the bill of complaint, made during the trial of the cause was denied and an exception was allowed as requested.

The evidence does not support a charge of infringement as to this appellant and it is respectfully submitted that the district court erred in denying his motion.

Fred S. Leon, appellant herein, testified that:

"My business is the publication of the Numerical Telephone Directory. It is owned by me. To my knowledge I have no partner in that business. (Tr. 94.)

"I have recorded a certificate of doing business under a fictitious name in support of my claim to proprietorship as an individual of the business conducted under the name and style of Numerical Directory." (Tr. 96.)

Appellant Dagmar Leon testified that:

"I had nothing to do with the management of the business nor the giving of any directions respecting the manner in which the business of the Numerical Telephone Directory, either in Oakland or San Francisco, was conducted. It was

> definitely understood I was to have nothing to do except with the compiling. I had such an understanding with my husband. To my knowledge, no one other than my husband, Fred Leon, had any direction or control over the affairs of the business of the numerical directory either in San Francisco or Oakland."

We submit that on these facts it was plain error for the District Court to regard this appellant as an infringer and jointly, or even severally, liable with her husband for infringement.

Dagmar Leon was a mere employee and in the same position, in so far as liability is concerned, as the other employees of her husband who performed mere clerical duties in the preparation, and publication of the numerical telephone directory. She was a workman and nothing more.

While no reported copyright decision has been found defining the liability of mere workmen, it is urged that the rule which obtains in patent infringement cases is controlling here. In those cases workmen, although instrumental in committing the *physical* acts of infringement, are not liable therefor.

See

*Cramer v. Fry,* 68 Fed. 201, 206 (N. D. Calif. 1895).

> "A strict application of the rule would make all servants liable, but a distinction has obtained between mere workmen and agents. The distinction may be artificial and arbitrary, and though starting apparently in a dictum in Delano v. Scott, Fed. Case #3,753, and based upon con-

sequences somewhat fanciful, nevertheless seems to have maintained itself and is as firmly established as nisi prius decisions can establish any rule of law. With this exception, the rule is that servants and agents are responsible. Estes v. Worthington, 30 Fed. 465."

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**CONCLUSION.**

We respectfully submit that the record in this case provides the basis for the drawing of the following conclusions:

1. That in preparing and publishing its alphabetical telephone directory the appellee has produced a work which is wholly devoid of copyrightable subject matter in so far as it includes the alphabetical arrangement of the names, addresses and numbers of telephone subscribers; and that the copyrights, to that extent, should therefore be held invalid.

2. That if appellee's copyrights in its alphabetical telephone directories are deemed valid as to the whole of each of the directories, then the scope of the same is limited to that which comprises the classified section and directional and institutional advertising matter and not the mere names, numbers and addresses making up the alphabetical section thereof.

3. That the use of the numbers and names appearing in appellee's alphabetical telephone directory by appellants in preparing their numerical

telephone directory was a fair use and not an infringement of any of appellee's copyrights.

4. That it was reversible error for the District Court to deny the motion of the appellant, Dagmar Leon to dismiss as to her the bill of complaint, in so far as she was concerned in the face of incontrovertible evidence that her husband, appellant Fred S. Leon, was the sole proprietor of the business of preparing and publishing the numerical telephone directories.

Wherefore it is respectfully prayed that the judgment of the District Court should be reversed in these respects in order that justice may be done in the premises.

Dated, San Francisco,
February 17, 1937.

Respectfully submitted,
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